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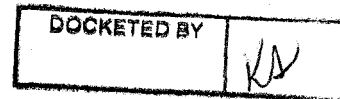
CLAD

December 28, 2004

Arizona Corporation Commission
DOCKETED

DEC 28 2004

Ms. Monique Byrnes
Technologies Management, Inc.
210 North Park Avenue
Winter Park, Florida 32789



RE: Staff's First Set of Data Requests to Phone1, Inc. Docket No. T-04297A-04-0918

Dear Ms. Byrnes:

On December 21, 2004, Phone1, Inc. ("Phone1") filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide telecommunication services in the State of Arizona. The application is not sufficient. This data request lists the information Staff needs to complete its analysis of your application. Please treat this, as Staff's first set of data requests to Phone1 in the above-referenced matter.

For purposes of this data request set, the words "Phone1", "Applicant", "the Company", "you", and "your" refer to Phone1, Inc. and any representative, including every person and/or entity acting with, under the control of, or on behalf of Phone1, Inc. For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please provide Docket Control with the information being requested within **60 days** of the date of this letter. Mail an original plus 13 copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff will recommend that the application be terminated. If the application is terminated, the Applicant cannot provide the same telecommunications services in Arizona for which it is currently applying, until such time as a new application is filed with and approved by the Commission.

AZ CORP COMMISSION
DOCUMENT CONTROL

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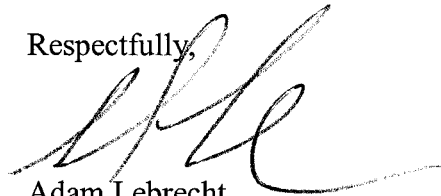
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December 28, 2004

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Remember that information submitted for a CC&N will be made a part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. If you have any questions, please contact me at (602) 364-0235. Thank you for your prompt response to this request.

Respectfully,

A handwritten signature in black ink, appearing to read 'A. Lebrecht', with a long horizontal flourish extending to the right.

Adam Lebrecht
Executive Consultant I
Utilities Division

Enclosure(s)

CC: Docket Control Center (Original and Thirteen Copies)

STAFFS FIRST SET OF DATA REQUESTS TO
PHONE1, INC.
DOCKET NO. T-04297A-04-0918

Please make sure each numbered item and each part of the item is answered completely. In order for Staff to continue with its review of this application, the following information must be submitted:

- AJL 1-1. Please submit a non-PDF file of your responses to this data request to alebrecht@cc.state.az.us.
- AJL 1-2. Please explain how your company calculated the maximum and minimum rates for each of your proposed services.
- AJL 1-3. Please indicate why you believe your proposed range of rates is just and reasonable using a competitive market analysis. Your analysis may contain publicly available examples of rates charged by the incumbent or other carriers for similar services or any other information that you believe demonstrates that your proposed rates are just and reasonable. Please include any supporting materials. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility; for a list of Commission-approved telecommunications rates and tariffs, go to www.cc.state.az.us/utility/tariffs.
- AJL 1-4. Please indicate why you believe your proposed range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.
- AJL 1-5. Please identify any other jurisdictions in which your company or an affiliate provides similar services. Please specify the rates that your company and/or affiliate charges for these similar services in these other jurisdictions. If there is a difference between the rates that your company is proposing for its Arizona operations and the rates that your company and/or affiliate charges in other jurisdictions for similar services, please identify and indicate the amount of the difference and explain why you are proposing different rates in Arizona.
- AJL 1-6. Please identify any other jurisdictions in which your company or an affiliate is applying to provide similar services. Please specify the rates that your company and/or affiliate proposes to charge for these similar services in these other jurisdictions. If there is a difference between the rates that your company is proposing for its Arizona operations and the rates that your company and/or affiliate is proposing to charge in other jurisdictions for similar services, please identify and indicate the amount of the difference and explain why you are proposing different rates in Arizona.

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AJL 1-7. Please submit affidavits of publication indicating that Phone1 has published legal notice of the Application in all the counties in which the authority to provide service is requested.